(b) what are the above figures per tonne of cotton and percentage of negative subsidy on value of the produce ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS & PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) and (b) The average Aggregate Measurements of Support (AMS) for cotton during the reference period 1986—89 was (—) Rs. 14543 million. Considering that the average eligible production during this period was 1.25 million tons, the average AMS per ton of cotton would come to (—) Rs. 11634. Since the AMS was calculated taking the average applied administered price of Rs. 5633/ ton, the percentage of AMS on value of the produce comes to (—) 206.5%.

The details of calculations are provided in the Schedule of Commitments to the GATT available in the Parliament Library.

**Poor performance in Leather Imports**

3676. SHRI P. UPENDRA : Will the Minister of COMMERCE be pleased to state :

(a) whether the country has registered poor performance in the international market for leather imports;

(b) what are the reasons for the sluggishness in exports of leather products; and

(c) what steps Government are taking to boost up the exports ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS & PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) India's export of leather and leather products have shown an impressive growth from Rs. 1608 crores in 1988-89 to Rs. 3693 crores in 1992-93. Global import of leather and leather products during 1992 (latest available) was about US$ 42 billion. India's share continued to be about 3% in these imports. However, the rate of growth of our exports in recent years has slowed down.

(b) The sluggishness is due to a number of reasons which include recessionary conditions in our major markets and the conditions prevailing in the countries comprising the former Soviet Union.

(c) A number of policy intitiatives have been taken by the Government to promote integrated product development with a view to strengthen the supply base for value-added quality products and in removing constraints in the easy availability of raw-materials, components and consumables for the leather industry. The customs duty on some of the raw materials, components and consumables used in the leather industry has also been reduced. The Govt. has also taken steps to strengthen marketing efforts in our major markets.

**Coffee Board enquiry in Nestle Affairs**

3677. SHRI G. Y. KRISHNAN: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the Coffee Board had sought the help of Government in getting the full facts about the Nestle affairs;

(b) whether it is a fact that the marketing committee of the Coffee Board have set up a six member sub-committee to go into all the facts to ensure that there

is no loss to the growers; if so, what are its findings;

(c) whether Government had conducted any enquiry into the Nestle India Ltd. having failed to ship within the stipulated period the instant coffee equivalent of about 2,000 tonnes of green coffee which it had purchased from the Coffee Board's export auction;

(d) if so, details thereof; and

(e) the action being taken to check such Nestle stock diversions in future and protect the interests of the growers ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS & PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) No Sir.

(b) Yes Sir. The Marketing Committee of the Coffee Board had set up a Six Member Sub-Committee to go into all the facts of the case. The findings have yet to be received.

(c) and (d) The Government had not conducted any enquiry in the matter.

(e) After introduction of Free Sale Quota and the Single Auction System there is no differentiation between the coffee sold for domestic and export markets. Hence, the question of checking does not arise.

**Market support price for Sugarcane**

3678. SHRI BHUPINDER SINGH MANN: Will the Minister of COMMERCE be pleased to state:

(a) what is the total market support price for sugarcane as submitted in the Uruguay round draft final Act and what is the Eligible Production Applied Administered Price and External Reference Price;

(b) what are the basis for calculating these figures;

(c) whether it is a fact that the implicit subsidy is effective subsidy to the sugar industry rather than to the sugarcane producer; and

(d) if so, the details thereof an if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) The total market price support etc. for sugarcane for the reference period 1986-89 are given below:—

| | |
|---|---|
| Total market price support | Rs. 2405 million. |
| Eligible Production | 88.28 m/Ton. |
| Applied Administered Price | Rs. 188.33/Ton. |
| External reference price | Rs. 156.16/Ton. |

(b) to (d) The Aggergate Measurement of Support (AMS) for sugarcane was calculated taking into account the parameters like international price of sugar, most efficient conversion cost of sugar from sugarcane, computed international price of sugar in terms of sugarcane, and the estimated external reference price of sugarcane at 8.5% recovery.

The conversion cost of most efficient unit pertains to Maharashtra as computed in Report on Sugar Industry by Bureau of Industrial Costs and Prices, November, 1990. Higher costs of conversion in other states have not been taken into account the implicit subsidy is effectively a subsidy to the sugar industry rather than to the sugar-